



Agenda Date: 10/10/03
Agenda Item: 3A

STATE OF NEW JERSEY

*Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.bpu.state.nj.us*

OFFICE OF CABLE
TELEVISION

IN THE MATTER OF THE APPLICATION)
OF COMCAST CABLEVISION OF)
SOUTHEAST PENNSYLVANIA, INC.)
(HOPEWELL RATE DISTRICT) FILING)
FCC FORM 1240 TO UPDATE THE)
BASIC CABLE TELEVISION RATE FOR)
INFLATION, CHANGES IN EXTERNAL)
COSTS AND CHANNEL ADDITIONS AND)
DELETIONS)

BPU DOCKET NO. CR02110818
OAL DOCKET NO. PUCRA-08402-02S

IN THE MATTER OF THE APPLICATION)
OF COMCAST CABLEVISION OF)
SOUTH JERSEY, INC.(PLEASANTVILLE)
DOWNBEACH RATE DISTRICT) FILING)
FCC FORM 1240 TO UPDATE THE)
BASIC CABLE TELEVISION RATE FOR)
INFLATION, CHANGES IN EXTERNAL)
COSTS AND CHANNEL ADDITIONS AND)
DELETIONS)

BPU DOCKET NO. CR02110823
OAL DOCKET NO. PUCRA-08403-02S

IN THE MATTER OF THE APPLICATION)
OF COMCAST CABLEVISION OF)
SOUTH JERSEY, INC. (PLEASANTVILLE)
WEST/MULLICA RATE DISTRICT) FILING)
FCC FORM 1240 TO UPDATE THE)
BASIC CABLE TELEVISION RATE FOR)
INFLATION, CHANGES IN EXTERNAL)
COSTS AND CHANNEL ADDITIONS AND)
DELETIONS)

BPU DOCKET NO. CR02110824
OAL DOCKET NO. PUCRA-08404-02S

IN THE MATTER OF THE APPLICATION)
OF COMCAST CABLEVISION OF)
SOUTH JERSEY, INC. (VINELAND AREA)
1 RATE DISTRICT) FILING FCC FORM)
1240 TO UPDATE THE BASIC CABLE)
TELEVISION RATE FOR INFLATION,)
CHANGES IN EXTERNAL COSTS AND)
CHANNEL ADDITIONS AND DELETIONS)

BPU DOCKET NO. CR02110825
OAL DOCKET NO. PUCRA-08401-02S

(SEE SERVICE LIST)

BY THE BOARD:

On November 1, 2003, Comcast Corporation (Comcast)¹ filed four (4) Federal Communications Commission (FCC) Forms 1240 with the Board of Public Utilities (Board) for the purpose of adjusting maximum permitted rates (MPRs) for basic service.

The Board is the local franchising authority in New Jersey and is certified to regulate basic service rates and associated equipment and installation rates. Cable operators who choose the Form 1240 methodology may adjust their Basic Service Tier (BST) rates once per year to reflect quantified changes in external costs, inflation and the number of regulated channels that are projected for the 12 months following the rate change.

On November 21, 2002, the above filings were transmitted to the Office of Administrative Law (OAL) for determination and initial disposition. On January 21, 2003, a pre-hearing conference was held and attended by Comcast, the Division of Ratepayer Advocate (Ratepayer) and the Board's Staff (collectively, the Parties). The preliminary hearings for these filings were set for July 1 and July 2, 2003.

Comcast notified its customers of rate changes on June 4, 2003, by way of newspaper announcements informing them of their opportunity to submit written comments to Administrative Law Judge (ALJ) W. Todd Miller for a period of thirty (30) days or until July 4, 2003. As of this date, no comments have been received.

On June 27, 2003, the parties began settlement discussions. Consequently, ALJ W. Todd Miller adjourned the hearings scheduled for July 1 and 2, 2003.

On September 25, 2003, after extensive discovery, and a series of settlement negotiations, the Parties reached an agreement and executed a Stipulation of Settlement (Stipulation) memorializing the agreement.

On October 6, 2003, the ALJ Miller filed his Initial Decision with the Board, which recommended that the Stipulation be approved. ALJ Miller found that the Parties have voluntarily agreed to the settlement and that the settlement is consistent with the law and fully disposes of all issues in controversy. The ALJ also found that the stipulated rates are just and reasonable and in compliance with N.J.S.A. 48:5A-11. The ALJ therefore concluded that the Stipulation met the requirements of N.J.A.C. 1:-19.1.

The Board has reviewed the Initial Decision and Stipulation and HEREBY FINDS them to be reasonable, in the public interest and in accordance with the law. Therefore, the Board

¹ On or about August 18, 2003, the above captioned entities' names were changed to Comcast of South Jersey, Inc. and Comcast of Southeast Pennsylvania, Inc.

HEREBY ADOPTS the Initial Decision approving the Stipulation of Settlement (attached hereto) as its own, incorporating by reference the terms and conditions therein as if fully set forth at length herein.

The Board FURTHER ORDERS that should these cable systems, or any part thereof, merge and/or migrate to another system, be upgraded and/or rebuilt, its ownership or control be otherwise sold or transferred to another entity, the basic service tier rate that will be eliminated or superseded as a result of the merger, migration, upgrade, rebuild, sale or transfer must be "trued-up" [47 C.F.R. § 76.922 (e)(3)]. The final true-up for the affected systems, or any parts thereof, should be calculated on FCC Form 1240 and begin where the last true-up period ended on its prior FCC Form 1240. This true-up calculation should be filed with the Board when all the affected subscribers are being charged the rate resulting from the merger, migration, upgrade, rebuild, sale or transfer and may be filed in conjunction with the annual rate adjustment cycle (Form 1240) established as a result of said merger, migration, upgrade, rebuild, sale or transfer.

The cable systems, or any part thereof, may be subsequently deregulated as a result of a finding by the Board, the FCC or other party of competent jurisdiction that these systems, or any portion thereof, is subject to effective competition. Should that be the case, the last basic service rate established as a result of a prior FCC Form 1240 or such subsequent rate calculation method as may be heretofore adopted by the Board, the FCC or other party of competent jurisdiction, prior to the deregulation of any rate that is now or may in the future be subject to the Board's jurisdiction, must be trued-up for the period of time that the affected rates were subject to regulation by the Board.

DATED: October 10, 2003

BOARD OF PUBLIC UTILITIES
BY:

(signed)

JEANNE M. FOX
PRESIDENT

(signed)

FREDERICK F. BUTLER
COMMISSIONER

(signed)

CAROL J. MURPHY
COMMISSIONER

(signed)

CONNIE O. HUGHES
COMMISSIONER

(signed)

JACK ALTER
COMMISSIONER

ATTEST:

(signed)

KRISTI IZZO
SECRETARY

SERVICE LIST

IN THE MATTER OF
THE APPLICATION OF COMCAST CABLEVISION OF SOUTH JERSEY, INC. (VINELAND
AREA 1 RATE DISTRICT), COMCAST CABLEVISION OF SOUTH JERSEY, INC.
(PLEASANTVILLE/DOWNBEACH RATE DISTRICT), COMCAST CABLEVISION OF SOUTH
JERSEY, INC. (PLEASANTVILLE/WEST/MULLICA RATE DISTRICT) AND COMCAST
CABLEVISION OF SOUTHEAST PENNSYLVANIA, INC. (HOPEWELL RATE DISTRICT) RATE
CHANGE UNDER FCC FORM 1240 TO SET ITS MAXIMUM PERMITTED RATES FOR
REGULATED CABLE SERVICES

DOC. NOS. CR02110818, CR02110823, CR02110824 and CR02110825

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